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## CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 1786, 1818 of this title; title 15 sections 1607, 1691c, 6505; title 18 section 1030; title 42 section 9601.

**§ 2001. Congressional declaration of policy and objectives**

(a) It is declared to be the policy of the Congress, recognizing that a prosperous, productive agriculture is essential to a free nation and recognizing the growing need for credit in rural areas, that the farmer-owned cooperative Farm Credit System be designed to accomplish the objective of improving the income and well-being of American farmers and ranchers by furnishing sound, adequate, and constructive credit and closely related services to them, their cooperatives, and to selected farm-related businesses necessary for efficient farm operations.

(b) It is the objective of this chapter to continue to encourage farmer- and rancher-borrowers participation in the management, control, and ownership of a permanent system of credit for agriculture which will be responsive to the credit needs of all types of agricultural producers having a basis for credit, and to modernize and improve the authorizations and means for furnishing such credit and credit for housing in rural areas made available through the institutions constituting the Farm Credit System as herein provided.

(c) It is declared to be the policy of Congress that the credit needs of farmers, ranchers, and their cooperatives are best served if the institutions of the Farm Credit System provide equitable and competitive interest rates to eligible borrowers, taking into consideration the creditworthiness and access to alternative sources of credit for borrowers, the cost of funds, including any costs of defeasance under section 2159(b) of this title, the operating costs of the institution, including the costs of any loan loss amortization under section 2254(b) of this title, the cost of servicing loans, the need to retain earnings to protect borrowers' stock, and the volume of net new borrowing. Further, it is declared to be the policy of Congress that Farm Credit System institutions take action in accordance with the Farm Credit Act Amendments of 1986 in such manner that borrowers from the institutions derive the greatest benefit practicable from that Act: *Provided*, That in no case is any borrower to be charged a rate of interest that is below competitive market rates for similar loans made by private lenders to borrowers of equivalent creditworthiness and access to alternative credit.

(Pub. L. 92-181, §1.1, Dec. 10, 1971, 85 Stat. 583; Pub. L. 99-509, title I, §1032, Oct. 21, 1986, 100 Stat. 1877.)

## REFERENCES IN TEXT

The Farm Credit Act Amendments of 1986, referred to in subsec. (c), is subtitle D of Pub. L. 99-509, title I, §§1031-1037, Oct. 21, 1986, 100 Stat. 1877, which amended

sections 2001, 2015, 2075, 2131, 2159, 2205, 2252, and 2254 of this title and enacted provisions set out as a note below. For complete classification of this Act to the Code, see Short Title of 1986 Amendment note below and Tables.

## AMENDMENTS

1986—Subsec. (c). Pub. L. 99-509 added subsec. (c).

## EFFECTIVE DATE OF 1985 AMENDMENT

Pub. L. 99-205, title IV, §401, Dec. 23, 1985, 99 Stat. 1709, provided that: "The provisions of titles I, II, III, and VI of this Act [enacting sections 2152, 2161, 2199, 2200, 2216 to 2216k, 2219, 2219a, 2253, 2261 to 2273 of this title and provisions set out as notes under section 2001 of this title, amending sections 2002, 2012, 2013, 2031, 2033, 2034, 2051, 2052, 2054, 2072 to 2074, 2077, 2078, 2091, 2093 to 2096, 2098, 2122 to 2126, 2132 to 2134, 2151, 2153 to 2156, 2182, 2183, 2201, 2202, 2205, 2206, 2211 to 2213, 2221 to 2223, 2227, 2241 to 2246, 2248 to 2252, and 2254 of this title, and repealing sections 2152, 2247, and 2253 of this title] shall become effective thirty days after enactment [Dec. 23, 1985]."

## SHORT TITLE OF 1996 AMENDMENT

Pub. L. 104-105, §1(a), Feb. 10, 1996, 110 Stat. 162, provided that: "This Act [enacting sections 2214a, 2219e, 2277a-10a, 2277a-10b, 2279bb-7, and 2279cc of this title, amending sections 2013, 2018, 2020, 2129, 2154a, 2199, 2202a, 2252, 2254, 2277a, 2277a-2, 2277a-4, 2277a-5, 2277a-7, 2277a-8, 2277a-10, 2279aa, 2279aa-1, 2279aa-3, 2279aa-5, 2279aa-6, 2279aa-8, 2279aa-9, 2279aa-11 to 2279aa-13, 2279bb-1 to 2279bb-4 of this title, sections 5314 and 5315 of Title 5, Government Organization and Employees, and section 1999 of Title 7, Agriculture, repealing section 2279aa-7 of this title, and enacting provisions set out as notes under this section and sections 2013 and 2252 of this title] may be cited as the 'Farm Credit System Reform Act of 1996'."

## SHORT TITLE OF 1994 AMENDMENT

Pub. L. 103-376, §1, Oct. 19, 1994, 108 Stat. 3497, provided that: "This Act [enacting section 2206a of this title and amending sections 2122, 2128, and 2129 of this title] may be cited as the 'Farm Credit System Agricultural Export and Risk Management Act'."

## SHORT TITLE OF 1992 AMENDMENT

Pub. L. 102-552, §1(a), Oct. 28, 1992, 106 Stat. 4102, provided that: "This Act [see Tables for classification] may be cited as the 'Farm Credit Banks and Associations Safety and Soundness Act of 1992'."

## SHORT TITLE OF 1988 AMENDMENTS

Pub. L. 100-399, §1, Aug. 17, 1988, 102 Stat. 989, provided that: "This Act [see Tables for classification] may be cited as the 'Agricultural Credit Technical Corrections Act of 1988'."

Pub. L. 100-233, §1(a), Jan. 6, 1988, 101 Stat. 1568, provided that: "This Act [see Tables for classification] may be cited as the 'Agricultural Credit Act of 1987'."

## SHORT TITLE OF 1986 AMENDMENT

Section 1031 of title I of Pub. L. 99-509 provided that: "This subtitle [subtitle D (§§1031-1037) of title I of Pub. L. 99-509, amending sections 2001, 2015, 2075, 2131, 2159, 2205, 2252, and 2254 of this title] may be cited as the 'Farm Credit Act Amendments of 1986'."

## SHORT TITLE OF 1985 AMENDMENT

Pub. L. 99-205, §1, Dec. 23, 1985, 99 Stat. 1678, provided: "That this Act [enacting sections 2152, 2161, 2199, 2200, 2216 to 2216k, 2219, 2219a, 2253, 2261 to 2273 of this title and provisions set out as notes under this section and section 2241 of this title, amending sections 2002, 2012, 2013, 2031, 2033, 2034, 2051, 2052, 2054, 2072 to 2074, 2077, 2078, 2091, 2093 to 2096, 2098, 2122 to 2126, 2132 to 2134, 2151, 2153 to 2156, 2182, 2183, 2201, 2202, 2205, 2206, 2211 to